California State Lands Commission PREVENTION FIRST 2018

Offshore Facilities Decommissioning and Well Abandonment

The Sister-State Agency Regulator's Point of View

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James L. Pierce serves as Senior Staff Counsel for the California State Department of Conservation, primarily representing the Division of Oil, Gas, and Geothermal Resources. In this capacity, he does not have policy-making authority for the Department, the Division of Oil, Gas, and Geothermal Resources, or for oil and gas-related matters for the State of California. The concepts, information, and exchanges discussed today are brought forth in an academic setting only, and should not be interpreted as official policy or legally binding statements.

DOGGR's Enabling Legislative Mandate

- Public Resources Code section 3106
- (a) The supervisor shall so supervise the drilling, operation, maintenance, and abandonment of wells and the operation, maintenance, and removal or abandonment of tanks and facilities attendant to oil and gas production, including pipelines not subject to regulation pursuant to Chapter 5.5 (commencing with Section 51010) of Part 1 of Division 1 of Title 5 of the Government Code that are within an oil and gas field, so as to prevent, as far as possible, damage to life, health, property, and natural resources; damage to underground oil and gas deposits from infiltrating water and other causes; loss of oil, gas, or reservoir energy, and damage to underground and surface waters suitable for irrigation or domestic purposes by the infiltration of, or the addition of, detrimental substances

Broad Application; Reliance and Cooperation with State Lands

• § 1722. General

(a) All operations shall be conducted in accordance with good oilfield practice.

DOGGR'S OFFSHORE REGULATIONS

• DOGGR's Regulations Specific to Offshore Operations:

Title 14, Division 2, Chapter 4, Subchapter 1.1, sections 1740 through 1748.3.

• § 1740.2. Scope of Regulations They shall apply to any and all oil or gas well operations conducted from locations within the offshore territorial boundaries and inland bays of the State of California, and where in conflict, the existing regulations shall supersede any and all previous rules, regulations, and requirements pertaining to the operations previously stated.

DOGGR to <u>regulate</u> State Lands????

• § 1741. Definitions

(j) "Operator" means any person drilling, maintaining, operating, pumping, or in control of any well.

Coordination with other standards . . .

- § 1743. General Requirements
- (a) It is understood that this Division's approval of operations is contingent upon the continual fulfillment of all marine and pollution control requirements established by the U. S. Coast Guard and the State of California.
- (b) All operations are to be conducted in a proper and workmanlike manner in accordance with good oil field practice

§ 1745. Plugging and Abandonment

 Plugging and abandonment operations shall not commence until approval has been obtained from the Supervisor. Proposals to plug or plug and abandon shall be submitted on a Division form for plugging or plugging and abandonment and accompanied by a detailed work program. [... which shall include ...]:

- addressing specific problems such as "junk," casing stubs, annular space, surface plugs, distance from ocean floor, etc.
- witnessing of operations

§ 1747. Safety and Pollution Control

- Subsurface safety devices
- Separators
- Pressure surge tanks
- Pressure sensors
- Shut-in capability
- On-deck containment infrastructure

§ 1748. Waste Disposal and Injection Projects

- RWQCB requirements must be met for ocean discharges
- All normal injection project data must be submitted for subsurface injection